

This Bill: Bill Summary & Status
H.R.143

Printer Friendly: [HTML](#) | [PDF](#) | [XML](#)

To amend the Internal Revenue Code of 1986 to provide for a two-month suspension of employment and income taxes, and for other purposes. (Introduced in House)
HR 143 IH

111th CONGRESS
1st Session
H. R. 143

To amend the Internal Revenue Code of 1986 to provide for a two-month suspension of employment and income taxes, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

January 6, 2009

Mr. GOHMERT (for himself, Mr. SHADEGG, Mrs. BLACKBURN, Mr. CARTER, Mr. FRANKS of Arizona, Mr. PENCE, Mr. WESTMORELAND, Mr. SESSIONS, Mr. MCCOTTER, Mrs. MYRICK, Mr. KLINE of Minnesota, Mr. AKIN, Mr. MCHENRY, Mr. NEUGEBAUER, Mrs. MCMORRIS RODGERS, Mrs. BACHMANN, Mr. GARRETT of New Jersey, Mr. PRICE of Georgia, Mr. CULBERSON, Mr. PAUL, Mr. BURTON of Indiana, Mr. MACK, Mr. BROUN of Georgia, Mr. LAMBORN, Mr. PITTS, Mr. BARTLETT, Mr. POE of Texas, Mr. SAM JOHNSON of Texas, Mr. BARRETT of South Carolina, Mr. GINGREY of Georgia, Mr. ISSA, Mr. YOUNG of Alaska, Mr. LINDER, Mr. HALL of Texas, Mr. DEAL of Georgia, Mr. PLATTS, Mr. FLAKE, Mr. NUNES, Mr. SENSENBRENNER, Mr. TERRY, Ms. FALLIN, Mr. HENSARLING, Mr. SCALISE, Mr. LATTA, Mr. CONAWAY, Mr. YOUNG of Florida, Mr. MARCHANT, Mr. DAVIS of Kentucky, Mr. GERLACH, Mr. OLSON, and Mr. HOEKSTRA) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Internal Revenue Code of 1986 to provide for a two-month suspension of employment and income taxes, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SUSPENSION OF EMPLOYMENT TAXES.

(a) Tax on Employees- Section 3101 of the Internal Revenue Code of 1986 (relating to rate of

tax) is amended by adding at the end the following new subsection:

`(d) Suspension- In the case of wages received for service performed during the 2-month period beginning with the first full month after the date of the enactment of this subsection, the percentage under subsections (a) and (b) shall be zero percent.'

(b) Tax on Employers- Section 3111 of such Code (relating to rate of tax) is amended by adding at the end the following new subsection:

`(d) Suspension- In the case of wages paid for service performed during the 2-month period beginning with the first full month after the date of the enactment of this subsection, the percentage under subsections (a) and (b) shall be zero percent.'

(c) Tax on Self-Employment Income- Section 1401 of such Code (relating to rate of tax) is amended by adding at the end the following new subsection:

`(d) Suspension- In the case of self-employment income for service performed during the 2-month period beginning with the first full month after the date of the enactment of this subsection, the percentage under subsections (a) and (b) shall be zero percent.'

(d) Effective Dates-

(1) The amendments made by subsections (a) and (b) shall apply to remuneration paid or received after the date of the enactment of this Act.

(2) The amendment made by subsection (c) shall apply to taxable years beginning after December 31, 2008.

SEC. 2. SUSPENSION OF INCOME TAXES.

(a) In General- Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to items specifically excluded from gross income) is amended by inserting after section 139B the following new section:

`SEC. 139C. WAGE AND SELF-EMPLOYMENT INCOME.

`In the case of an individual, gross income shall not include--

`(1) any remuneration for service performed during the 2-month period beginning with the first full month after the date of the enactment of this section, by an employee for his employer, including the cash value of all remuneration (including benefits) paid in any medium other than cash wages (as defined in section 3121), and

`(2) any self-employment income (as defined in section 1402) derived by such individual during such period.'

(b) Clerical Amendment- The table of sections for such part is amended by inserting after the item relating to section 139B the following new item:

`Sec. 139C. Wage and self-employment income.'

(c) Effective Date- The amendments made by this section shall apply to taxable years ending after December 31, 2008.

SEC. 3. FUNDING OF SOCIAL SECURITY TRUST FUNDS WITH REPEALED TARP FUNDS.

(a) Repeal of Final \$350 Billion Purchase Authority Under Troubled Assets Relief Program- Section 115 of the Emergency Economic Stabilization Act of 2008 (12 U.S.C. 5225) is amended--

(1) in subsection (a), by striking paragraph (3); and

(2) by striking subsections (c), (d), (e), and (f).

(b) Transfer to Social Security Trust Funds-

(1) ESTIMATE OF SECRETARY- The Secretary of the Treasury (in consultation with the Secretary of Health and Human Services and the Commissioner of Social Security, as appropriate) shall estimate the impact that the enactment of this Act has on the income and balances of the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, and the Federal Hospital Insurance Trust Fund.

(2) TRANSFER OF FUNDS- If, under subsection (a), the Secretary of the Treasury estimates that the enactment of this Act has a negative impact on the income and balances of any of such funds, the Secretary shall transfer from the general revenues of the Federal Government such sums as may be necessary so as to ensure that the income and balances of such funds are not reduced as a result of the enactment of this Act.

SEC. 4. IMMEDIATE TERMINATION OF TARP PURCHASE AUTHORITY.

(a) In General- The authorities provided under section 101(a) of the Emergency Economic Stabilization Act of 2008 (12 U.S.C. 5211), excluding section 101(a)(3) of such Act, shall terminate immediately upon the enactment of this Act.

(b) Rule of Construction- The termination under subsection (a) shall apply to any authority of the Secretary of the Treasury under the Emergency Economic Stabilization Act of 2008 to purchase preferred or other stock or equity in any financial institution.

(c) Conforming Amendment- The Emergency Economic Stabilization Act of 2008 is amended by striking section 120 (12 U.S.C. 5230).

